

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**SB 2142 - HB 2198**

February 11, 2014

**SUMMARY OF BILL:** Authorizes recipients of the HOPE scholarship to omit their grades for one semester for the purposes of calculating their cumulative grade point average. Requires any students who chose to omit one semester's grades to notify the institution and the Tennessee Student Assistance Corporation (TSAC) of their intention to do so within two weeks of receiving their grades. The semester hours for which the student chooses to omit their grades shall not count against the limitation of semester hours and eligibility for the purposes of receiving a HOPE scholarship award. Students shall not repay the HOPE scholarship for the semester for which they omit grades. Students may only ask for grade omissions for semesters completed in the 2014-2015 academic year and subsequent years.

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures –**

**\$21,092,400/FY14-15/Lottery for Education Account**

**Exceeds \$21,092,400/FY15-16 and Subsequent Fiscal Years/  
Lottery for Education Account**

**Assumptions:**

- According to TSAC, an estimated 3,348 students will choose to omit grades for one semester and receive an average HOPE award of \$2,100 per semester for an additional three semesters.
- In FY14-15, the increase in state expenditures from the Lottery for Education Account is estimated to be \$21,092,400 (3,348 students x \$2,100 x 3 semesters).
- In FY15-16 and subsequent fiscal years, the recurring increase in state expenditures from the Lottery for Education is estimated to exceed \$21,092,400.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise".

Lucian D. Geise, Executive Director

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